(d) if so, the assessment of Government?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V.RAJASEKHARAN): (a) and (b) There is no proposal to discontinue subsidies to the farm sector. However, there is a need to review certain aspects of subsidies that tend to distort cropping patterns and could also have damaging effects on natural resoruces.

(c) This will be an important consideration in the above review.

(d) Does not arise.

Transfer of funds to States

1796. SHRIMATI VANGA GEETHA: Will the PRIME MINISTER be pleased to state:

(a) whether Government have stipulated that henceforth there should no transfer of funds including plan assistance, in the form of loans from the Centre to the States; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V.RAJASEKHARAN): (a) and (b) The Twelfth Finance Commission has recommended that the system of imposing a 70:30 ration between Loans and Grants for extending Plan Assistance to the Non-special category States (10:90 incase of special category States) should be done way with. Instead, the Centre should confine itself to extending plan grants to the States and leave it to the States to decide how much they wish to borrow and from whom. The Government of India has accepted the recommendations of the Twelfth Finance Commission for the period 2005-2010.

Special grant to Tamil Nadu

†1797. PROF. R.B.S. VARMA: Will the PRIME MINISTER be pleased to state:

(a) whether the Tamil Nadu Government has requested the Central Government for special grants;

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†Original notice of the question was received in Hindi.

(b) if so, the head from which this grant was given;

(c) whether Government have issued instructions to Tamil Nadu Government with regard to use of allocated amount; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN): (a) to (c) Yes, Sir. An outlay of Rs. 8001 crores has been approved for the Annual Plan 2004-05 of Tamil Nadu which includes one-time additional Central assistance of Rs. 86.72 crores for priority schemes of special importance to the State Government, from Central Assistance for State Plan Funds.

(d) A copy of guidelines (Form GFR 19-A) is given in the Statement.

Statement

Guidelines for Central Government Special Grants.

FORMS

FORM GFR 19-A

[*See* Government of India's Decision (1) below Rule 150]

Form of utilization Certificate

Sl. No.	Letter No. & Date	Amount
	Total	

Certified that out of Rs..... of Rs..... of grant-in-aid and Loans approved by Planning Commission as ACA *vide* Letter No...date and sanctioned by the Ministry of Finance *vide* letter No. given in the margin during the year ..... and Rs. ..... on account of unspent balance of the previous year, a sum of Rs. ... has been utilised for the purpose for which it was sanctioned and that the balance of Rs. ... remaining unutilised at the end of the year has been surrendered to Government (*vide* no.....date....)/will be adjusted towards the grant-in-aid and loan payable during the next year.

2. Certified that I have satisfied myself that the conditions on which the ACA was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of Checks exercised.*

1. Vouchers and Books of Accounts.
2. Measurement Books.
3. Grant-in-aid/Loan Register
4. Expenditure Register.

Signature.....

Designation.....

Date.....

Give details applicable.

(GM., MF., O.M. No. F. 14(1)-E II (A)/73, dated the 23rd April, 1975)

Employment of North-Eastern States

1798. SHRI MATILAL SARKAR: Will the PRIME MINISTER be pleased to state:

(a) whether the potentials of employment generation in different sectors have been sorted out by the Planning Commission;

(b) whether the State Governments have been given instructions to this effect;

(c) the sector identified for employment generation in the North-Eastern States;

(d) whether Government have any policy to give priority to the youths of the North-Eastern States in respect of employment in the public sector in consideration of their isolation; and

(e) the details of the policy of Government?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN): (a) and (b) Tenth Plan document, as